

ADVERTISEMENT SUBMISSION FORM and FAX COVER PAGE

FAX TO: (702) 486-0785 or email to: MLDTempReceptionist@mld.nv.gov

To: Mortgage Lending Division, Department of Business & Industry

Complete this section as the fax cover page

Mortgage Broker (Company) Name:
Qualified Employee or
Advertising compliance person:
(NOT THE LOAN AGENT)

Fax number to fax back the
approval/disapproval of ad:
Must be the number of the QE of
the broker or Advertising
compliance person:

Phone number for contact if
questions regarding the ad:

Please **read the instructions** before submitting this form with a copy of the advertisement. Attach the written copy of the **FINAL** version of the advertisement to the Mortgage Lending Division and use this FORM as the cover page. For advertisements in other than English, please submit the translation in the identical format as the non-English version.

For e-mail submissions, please include this form as an attachment in your email and send to MLDTempReceptionist@mld.nv.gov . Mark the subject line: **Advertising submitted for approval**

If you have additional questions **after** you have reviewed the attached instructions, please contact the Division at (702) 486-0782.

- MARK ONE -

Initial Request for Approval **(allow 24 – 48 hour turnaround)**

Resubmitted for approval **with corrections**

MARK APPLICABLE ITEMS-

Print media - please indicate type

Newspaper, magazine etc

Sales literature

Sales brochure or flyer

Newsletters*(see special instructions)

Billboard

Yellow-page listing if more than a line listing

Mass mailing of correspondence (letters only)

Radio or television advertisement

Telephone or seminar script

Website – submit the web address and times
available for the Division to review

Other – please describe

Print – submit the final proof as designed to
run

Flyers and postcards – mark ‘front’ and ‘back’
or indicate number of pages of the brochure
Billboard – indicate size

Mailings – Must be submitted on company
letterhead

TV – submit in hard copy form the verbal text
and any viewed text (2 column format
suggested)

Radio – submit the verbal text exactly as will be
read

Websites – send cover page with the web
address indicated – The Division will view.

Mortgage broker licensed under 645B - NRS 645B.189.3 requires a mortgage broker to submit any proposed advertisement to the Division for approval.

Mortgage banker licensed under 645E - There is no requirement to submit for approval, however, the advertising must meet the same requirements.

INSTRUCTIONS and GUIDANCE for ADVERTISING COMPLIANCE
***** **DO NOT FAX THE INSTRUCTIONS WITH THE COVER PAGE TO THE DIVISION** *****

The following information is required to be included in each advertisement submitted:

- **Name** of the mortgage broker as filed with the Division (*logos do not need to include the name as filed with the Division; however the exact name should then be included in the address section.*)
- **Address** of licensed location (*The location in the ad must have an effective license and include the main telephone number of the location.*)
- **Main phone number** of that location (*Other telephone or cellular numbers may be included in addition to the main number.*)
- If a mortgage agent's name is in the ad, they must have an effective license before we approve the ad; the agent's name must be the licensed name of the agent (*nick names can be used in addition to the licensed name*).

(DO NOT submit the ad until the agent license has been posted on the web site.)

What advertising needs to be APPROVED?

NAC 645B.240.11 The definition of "advertising" includes commercial messages that promote the availability of mortgage products or investments offered by the mortgage broker. Including but not limited to:

- (a) Print media;
- (b) Sales literature;
- (c) Sales brochures or flyers;
- (d) Billboards;
- (e) Yellow-page listings if more than a line listing;
- (f) Radio and television advertisements;
- (g) Mass mailings; (Letters must be on the actual letterhead to be used)
- (h) Telephone or seminar scripts; and
- (i) Websites or other internet sites that promote or accept loan applications.

*** NEWSLETTERS – If newsletters are purchased from a third party only the initial newsletter need to be approved. Disclosure wording to note that the information is purchased not written must be included in the newsletter. Suggested wording “The information contained in this newsletter has been prepared by (or purchased from) an independent third party and is distributed for consumer educational purposes.”**

* * * Advertising that does NOT need approval * * *

1. White page listings,
2. Employment recruiting announcements,
3. Office signs,
4. Banners,
5. Magnetic car signs,
6. Business cards and letterhead which contain only the name, address and telephone number.

*** * * ADS WITH NONSUBSTANTIVE CHANGES DO NOT NEED TO BE SUBMITTED * * ***

Non-substantive changes” include:

- (a) Interest rates that are quoted in the advertisement and any corresponding annual percentage rates;
- (b) Promoting another mortgage agent in the same format of advertisement;
- (c) Promoting other branch locations in the same format of advertisement;
- (d) Placing links on websites that direct the user to noncommercial or consumer education websites;
- (e) Direct telephone or cellular phone numbers.

How to comply with SEPARATE and DISTINCT

- Newsprint, magazines - Example: If a real estate company and a mortgage company want to advertise jointly. The information (name, address, phone numbers) of each of the separate companies must be included and distinguishable as separate and distinct different companies.
- Post cards, brochures, flyers – separate by front and back, top and bottom or separate page insert
- Verbal media (radio, telephone message, television) - Separate discussion of the activity of the mortgage company to be stated first or follow discussion of the other commercial enterprise. Example: If a real estate agent discusses a specific home and its amenities, the lead line could be stated, “for information on how to obtain financing on this property contact . . . (and any discussion of the mortgage company would then follow.)
- Web site - An Internet link on a website of the mortgage broker that links the user to the website of another commercial enterprise must provide notification to the user or open in another window to indicate that the user is leaving the website of the mortgage broker.

APPEARANCE OF CHECKS AND GOVERNMENT SPECIALIZED DEPARTMENT WITHIN MORTGAGE COMPANY

A mortgage broker **shall not** use advertising material that **simulates the appearance** of:

- a check,
- a communication from a government entity, or
- an envelope containing a check or a communication from a government entity, unless:
 - The words “**THIS IS NOT A CHECK,**” “**NOT NEGOTIABLE**” or “**THIS IS NOT A GOVERNMENT ENTITY,**” as appropriate, appear prominently on the envelope and any material that simulates the appearance of a check or a communication from a government entity; and if the material simulates the appearance of a check, the material does not contain an American Bankers Association number, micro encoding or any other marks intended to create the appearance that the material is a negotiable check.

The Division will not approve correspondence that appears to be from a specialized department of the mortgage company unless that department exists in the corporate structure or words or logos that have the appearance of a government entity or division.

INTEREST RATE TEXT GUIDELINES

Regulation Z Truth in Lending and Official Staff Commentary guidelines are followed and available from the Federal Reserve System, summarized below.

- Advertised rates and terms must be actual available terms at the time of the advertisement
- If stating an interest rate the corresponding APR must also be stated.
- For stated introductory rates, the terms and the APR must be disclosed. Rates and payments of an introductory nature must disclose that the loan may result in a negative amortization or minimum payments will not reduce the principal amount of the loan.
- Terms must be as conspicuous as the rate. Examples: Capitalized when other disclosures are printed in capital and lower case, printed larger type, bold print of different type face, printed in a contrasting color, underlined, set off with asterisks. The font size can be no smaller than other font size in the advertisement.
- If using any of the following terms, all of the items must be included in the advertisement:
 - Amount or percentage of the down payment
 - The number of payments or period of repayment
 - Amount of any payment
 - Amount of any finance charge
- Variable rates must disclose terms with a phrase such as “which is subject to change”; the terms of the variable rate; limits and caps.
- Cannot use the phrase ‘skip a payment’, it is acceptable to indicate payments are deferred

INCENTIVES AND GIVEAWAYS

- Items of value cannot be advertised to be given away as an inducement to conduct business. If a drawing or a giveaway of free item is advertised it must be available to the public and cannot be conditioned upon applying for or obtaining a loan. The drawing date and the date on which the winner will be announced must be stated. The drawing or raffle must comply with other regulatory rules not under the jurisdiction of the Division.
- Items stated as free (such as appraisals and credit reports) must be free and not subject to a funded loan unless stated in the ad that it is subject to closing a loan. If free there cannot be an increase in other charges to offset the ‘free’ items.
- Other items such as gift cards or certificates cannot be conditioned to a loan closing or completion of a loan application.

DISCLOSURES FOR PRIVATE MONEY

Mortgage brokers who advertise for private investors must include in their advertisements the following disclosures:

**Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not insured.
Prior to investing, investors must be provided applicable disclosure documents.**

No advertisements can state or imply a loan-to-value or appraised or comparative value, unless an appraisal is completed by a licensed appraiser.

No statements of personal guarantees can be made by borrowers, if the borrower has any affiliation with the Mortgage Company or principal of the mortgage company.

RECORD KEEPING REQUIREMENTS

Approvals for advertising must be maintained at the location of the mortgage broker and must be available for inspection for at least 1 year after the last day that the advertisement is used. The mortgage broker should maintain a separate file at the location of the licensee with all ads and the approvals received from the Division. If ads with non-substantive changes have been used, a copy of the original approved ad should be maintained with all forms of the ad used.